



Internal Theft Prevention

Presented by: The Carlsbad Police Department - For more information contact the Crime Prevention Unit at (760) 931-2105 or report a crime at (760) 931-2197

In an Emergency Dial 9-1-1

Key Control:

1. Assign keys by number to those who must have key
2. Assess necessity of those who have keys
3. Consider an access control system rather than using keys
4. Many keys are copied even with a "do not copy" stamp
5. Never leave keys hanging where they are accessible to everyone

Equipment and Tools:

1. Secure all tools at end of business day
2. Keep a complete list of serial numbers
3. Engrave all tools, machinery, and equipment with business tax ID #
4. Have employees sign out when using a piece of equipment, etc

Environment:

1. Employee parking should be located away from loading area
2. All areas where valuables are located should be lit up and visible

Employee Control:

1. Check every reference of potential employees and account for all time between jobs
2. Bond employees
3. Require annual vacations for all employees
4. Try to become aware of events in employee's life that might be overwhelming to them such as family illnesses, divorce, addictions etc.
5. Low morale often contributes to employee theft

Cash control:

1. Bookkeepers should not handle cash. Accounting systems should be a series of checks and balances.
2. Hire independent auditors once a year.
3. Computers should have a log-in system for every employee
4. Personally approve discounts and bad-debt write-offs
5. Delegate check signing and approval of cash disbursements carefully and to as few as possible
6. Bank statements should be reconciled by someone other than the person making the deposits
7. Cashiers need to be relieved several times during the day

Inventory Control:

1. A physical inventory should be done annually, semi-annually or even quarterly depending on quantity of stock
2. Inventories should be done by two or three-man teams
3. All receiving reports should be signed
4. All invoices and shipping tickets should be pre-numbered
5. Employees should sign in and out of stock areas